

# The Democratic Party of Orange County

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JIM TOLEDANO, County Chair  
(714) 752-5538 FAX (714) 752-9503

July 25, 1996

Colleen T. Sealander, Esq.  
Central Enforcement Docket  
Federal Election Commission  
999 E Street, NW  
Washington, D. C. 20463

Re: MUR 4389

Dear Ms. Sealander:

This letter constitutes my response to the complaint filed against me which is referenced above, for which I requested an extension.

The facts are extremely simple. As shown in my declaration tendered with this response, I received a phone call from a person whom I did not know who identified herself as "Debbie LaPrade" and who offered to donate \$10,000 to advance the purposes of the Orange County Democratic Party in the primary.

I took the money as Chair of the Party, acting within my discretion as I understood it from the acts of my predecessors as Chair of the Orange County Democratic Party and according to my understanding of the By-laws of the Central Committee. I opened a separate bank account in the name of the Orange County Democratic Party in order to have easy access to the contribution because we had all had chronic difficulties in locating the Treasurer of the Party in the past for the purpose of getting ordinary bills paid.

I spent the contribution on a mailer which was intended in good faith to be an exempt slate mailer or under what I understood was the general exemption for educational advertising by a political party to promote voter awareness in the Democratic registration majority area of Orange County, consistent with the mission of the Orange County Democratic Party and my duties as Chair. 2 U.S.C. § 431(8)(B)(v) and 11 C.F.R. 100.7(b)(9). I did not know at that time that the Treasurer had terminated the registration of the Central Committee with the Federal Elections Commission.

The mailer correctly gave the names of the endorsed candidates in the general part of Orange County where Democrats hold a registration edge but have not won elections in recent years and asked the recipient to be sure to vote, and disclosed the source

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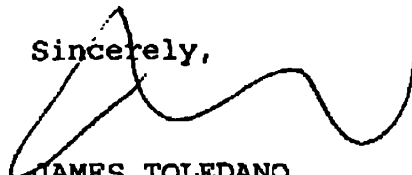
of the mailer as the Democratic Party of Orange County. The design of the mailer and all decisions how to use the money were mine alone; neither Ms. LaPrade nor anyone else told me or suggested to me how to spend the money, and I would not have accepted the contribution with any strings attached.

I did not know that Ms. LaPrade was the sister of candidate Jim Prince; had I known that I would not have taken the money without further inquiry; probably I would not have taken the money at all because of the way an otherwise legal contribution might have looked to the other candidates. I did not advise Ms. LaPrade on the legality of her contribution to the Party and she did not ask me to do so, I had no information upon which to base any such advice, and had she asked I would have declined to give her any advice whatsoever.

I did not "earmark" the expenditure for the Jim Prince campaign, I did not consult with the Prince campaign in any particular of the mailing, and I did not know anything about the LaPrades' contribution history. The process of designing and mailing the card was completely independent of the Prince campaign.

Any errors which I may have made were innocent mistakes, based on inadequate or incomplete information. The statements attributed to me in the Los Angeles Times article are false; I neither said what the reporter said I said, nor would or could I truthfully have done. There is no reason to believe that I committed any violations of election law.

Sincerely,



JAMES TOLEDANO  
Chair

Orange County Democratic Party

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DECLARATION OF JAMES TOLEDANO

James Toledano declares:

1. I am the elected Chair of the Orange County (California) Democratic Central Committee (aka Orange County Democratic Party). I have read the complaint filed by the Vice Chair of the California Republican Party in June. Mr. Schroeder's allegations under penalty of perjury are false in all relevant particulars.

2. I received on behalf of the Orange County Democratic Party, in my capacity as Chair of the Orange County Democratic Party, an unsolicited contribution of \$10,000 from Debra Lee LaPrade, in the form of a check apparently signed by Paul LaPrade. This was not the first, nor is it the last, unsolicited offer to contribute something of value to the Orange County Democratic Party which I have received in my capacity as Chair.

3. I expended this contribution as Chair of the Orange County Democratic Party for the purpose of advertising to high-propensity Democratic voters in central Orange County the fact that certain individuals were the Party-endorsed candidates in that area, in part to publicize the fact that the Orange County Democratic Party was alive and well, a fact not self-evident in recent political history in this County, in part to respond to complaints that the Party "never does anything" and in part to deal with confusion about who was the duly endorsed candidate in the 46th Congressional District on the basis of calls from concerned voters, in order to uphold the integrity of the endorsement process.

4. At no time did I discuss with Ms. LaPrade how the money was to be spent, her prior contributions to anyone or her obligations under any election laws. I did not know that Ms. LaPrade was Jim Prince's sister, and if I had known that she was Jim Prince's sister I most likely would not have taken the contribution because of the way it might have looked.

5. Ms. LaPrade did not ask me for advice on whether her contribution was legal and I had no information on which to base such advice. Had she asked me for advice or comment on whether her contribution was legal I would have declined to so advise her and would have referred her to her own lawyer(s), whomever they may have been. The issue never came up.

6. The expenditure was not "earmarked" by me or by anyone else to my knowledge for, or directed toward, or to support, the Prince candidacy or any other, but was spent to increase the visibility of the Orange County Democratic Party in the central County and to communicate with voters in the only

portion of Orange County in which Democrats hold a registration edge.

7. I designed the mailer myself on my Macintosh computer at home without any input whatsoever from Ms. LaPrade and I made all of the decisions on what it should say and how it should be said. Ms. LaPrade offered no suggestions of any kind as to the manner in which I should use the money and I would not have allowed her to tell me what to do if she had attempted to do so. I did not speak with Jim Prince or the Prince campaign about the contribution or the mailer except to request a photograph; I was referred to a photographer who ultimately delivered a photograph to the printer.

8. I deposited the check into a new account which I opened for that purpose in the branch of the bank in which another Democratic Party account is located which is next door to my office. I chose to open a separate account because the Orange County Democratic Party ordinarily opens separate accounts for special projects, to keep them separate from operating funds, and because the then-Treasurer was extraordinarily difficult to locate if you wanted to make a deposit or get a check, and there were numerous instances of checks not being deposited for months or at all.

9. I take no responsibility for any actions or positions taken by the Orange County Democratic Central Committee or its Executive Committee, or any member of either, nor do I necessarily accept or concur in any actions or positions taken, in respect to the contribution, my acceptance of the contribution, or my expenditure of the contribution.

10. The article in the Los Angeles Times which Mr. Schroeder enclosed with his complaint is false and defamatory and contains statements attributed to me which I neither said nor would ever say, to which the comments above are in some measure addressed. I did not knowingly, willfully or intentionally accept an illegal contribution, fail to report the transaction, nor fail to include appropriate notice language, nor did I commit any act which was knowingly, willfully or intentionally contrary to law, nor do I believe that any act of mine was contrary to law.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct and that this declaration was executed on July 25, 1996, at Irvine, California.



JAMES TOLEDANO